

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2013

Legislative Fiscal Note

BILL NUMBER: Senate Bill 423 (First Edition)

SHORT TITLE: Forsyth Tech Repurpose Funds.

SPONSOR(S): Senator Parmon

FISCAL IMPACT

(\$ in millions)

Yes
 No
 No Estimate Available

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
State Impact					
General Fund Revenues:					
General Fund Expenditures:					
See assumptions and methodology					
Special Fund Revenues:					
Special Fund Expenditures:					
State Positions:					
NET STATE IMPACT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

Local Impact					
Revenues:					
Expenditures:					
NET LOCAL IMPACT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:

NC Community College System

EFFECTIVE DATE July 1, 2013

TECHNICAL CONSIDERATIONS:

None

BILL SUMMARY:

This bill requires that \$3 million appropriated to Forsyth Technical Community College in FY 2005-06 for the construction of the Center for Emerging Technologies be transferred to a special fund code, to be administered by the NC Community Colleges System Office. Of the \$3 million, up to \$300,000 may be allocated each year to Forsyth Technical Community College for the operating costs of the College's biotechnology, nanotechnology, design, and advanced information technology programs; Small Business Center; and Corporate and Industrial Training programs. The bill prohibits additional State funds from being made available to the college for those purposes.

ASSUMPTIONS AND METHODOLOGY:

Session Law 2005-276 (S.B. 622), Current Appropriations and Capital Improvement Act of 2005, appropriated \$3,000,000 in nonrecurring funds to Forsyth Technical Community College (Forsyth Tech) for the construction of the Center for Emerging Technologies. The Center was to house the biotechnology, nanotechnology, design, and advance information technology programs; the Small Business Center; and Corporate Training Services. This money was budgeted in a capital project fund (40520) and has been held for Forsyth Tech since that time. According to Forsyth Tech, this building will not be constructed.

The bill would transfer these funds into a special fund (26800) and would direct the Community Colleges System Office to allocate up to \$300,000 each fiscal year to Forsyth Tech for the operating costs of the college's biotechnology, nanotechnology, design, and advanced information technology programs; Small Business Center; and Corporate and Industrial Training programs. In allocating these funds, the Community Colleges System Office would transfer \$300,000 each year from Fund 26800 to the Community Colleges General Fund (16800) and expend the funds from there.

The chart below summarizes these changes, and shows the net impact of zero to the State. The bill would permit a net of \$300,000 to be expended each year, but as those funds come from available resources, the net impact is zero.

Summary of Changes to Forsyth Technical Community College Balances in Impacted State Budget Codes and Net General Fund Impact; FYs 2013-14 to FY 2017-18 and FY 2022-23						
	2013-14	2014-15	2015-16	2016-07	2017-18	2022-23
Budget Code 40520						
Existing Balance	3,000,000	-	-	-	-	-
Transfer to 28600	(3,000,000)	-	-	-	-	-
Revised Balance	\$0	\$0	\$0	\$0	\$0	\$0
Budget Code 28600						
Beginning Balance	-	2,700,000	2,400,000	2,100,000	1,800,000	300,000
Transfer in from 40520	3,000,000	-	-	-	-	-
Transfer out to 16800	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)
Ending Balance	\$2,700,000	\$2,400,000	\$2,100,000	\$1,800,000	\$1,500,000	\$0
Budget Code 16800						
Expenditures	300,000	300,000	300,000	300,000	300,000	300,000
Revenues	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)
Net Impact	\$0	\$0	\$0	\$0	\$0	\$0

SOURCES OF DATA: NC Community Colleges System Office

TECHNICAL CONSIDERATIONS: None

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